

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House  
(317) 232-9855

**FISCAL IMPACT STATEMENT**

**LS 6257**

**BILL NUMBER:** HB 1050

**DATE PREPARED:** Apr 30, 1999

**BILL AMENDED:** Apr 29, 1999

**SUBJECT:** ISTEP+ Graduation Examination.

**FISCAL ANALYST:** David Hoppmann

**PHONE NUMBER:** 232-9559

**FUNDS AFFECTED:** X GENERAL  
DEDICATED  
FEDERAL

**IMPACT:** State

**Summary of Legislation:** (Amended) (1) This bill would remove the Board's authority to adopt rules to establish waiver procedures for the Graduation Examination requirement. It would place into statute the current waiver rule that provides eligibility for graduation with a diploma for certain students who do not receive a passing score on the Graduation Examination but meet other specific requirements. It would provide (for certain students with disabilities) that their respective case conference committee determine eligibility for graduation with a diploma based on their respective individualized education program.

(2) It would remove the Board's authority to determine the appropriate grade during which a student may initially undergo the Graduation Examination, and would place into statute the requirement that each student in grade 10 must take the Graduation Examination. It would require the Board to adopt rules to establish when a student is considered to be in grade 10 for purposes of taking the Graduation Examination.

**Effective Date:** July 1, 1999.

**Explanation of State Expenditures:** (Revised) (1) Under current law, students who expect to graduate with a high school diploma during the 1999-2000 school year (and thereafter) are required to either: 1) complete all high school graduation credit requirements in addition to receiving a score at or above the academic standard tested in the Graduation Examination; 2) successfully complete all components of the CORE 40 curriculum; or 3) successfully appeal the Graduation Examination test results in accordance with criteria adopted by the Board.

This bill would remove the Board's authority to adopt rules to establish waiver procedures for the Graduation Examination requirement, and would place into statute language based on the current waiver rule (511 IAC 5-3-3) that provides eligibility for graduation with a diploma for certain students who do not receive a passing score on the Graduation Examination but meet other specific requirements.

It would require (for certain students with disabilities) that their respective case conference committee determine eligibility for graduation with a diploma through a waiver provision. Eligibility would be determined based on the respective individualized education program of a student with disabilities, and would require interaction with the case conference committee, the teacher of the student with disabilities, and the principal.

#### **ISTEP+ GENERAL INFORMATION**

Based on the first Examination retest taken in Fall of 1998, it is estimated that approximately 83% of the Class of 2000 have now scored above the academic standard tested for English/Language Arts, and approximately 72% have scored above the academic standard tested for Mathematics.

In Fall of 1998, approximately 70,425 students from the graduating class of 2001 took the Examination. Of these students, approximately 72% scored above the academic standard tested for English/Language Arts, and approximately 59% scored above the academic standard tested for Mathematics.

For FY 1998, \$33,860,780 was appropriated from the State General Fund and State Dedicated Funds for ISTEP+ testing and remediation (grades 3, 6, 8, and 10). Of this amount, approximately \$24 M was distributed to eligible school corporations for preventative and regular remediation, while approximately \$10 M was distributed for test development and administration.

(2) This provision of the bill would result in additional administrative time to DOE.

#### **Explanation of State Revenues:**

#### **Explanation of Local Expenditures:**

#### **Explanation of Local Revenues:**

**State Agencies Affected:** State Board of Education.

**Local Agencies Affected:** School Corporations.

**Information Sources:** Mary Tiede Wilhelmus, Department of Education, (317) 232-6614; State of Indiana, List of Appropriations (July 1, 1997 to June 30, 1999).